

**MINUTES OF A REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF  
BWM METALS, LLC**

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DATE AND TIME:                    January 24, 2013  
   12 Noon Eastern Time to  
   5:00 p.m. Eastern Time and  
   January 25, 2013  
   7:00 a.m. Eastern Time  
   to 3:00 p.m. Eastern Time

PLACE:                                Waterbury Courtyard by Marriott  
   63 Grand Street  
   Waterbury, CT 06702

DIRECTORS PRESENT:            William Wolf  
   Gleb Zarkh  
   Ryan Satterfield  
   Ray McGee  
   James Wareham

OTHERS PRESENT:                John Barto  
   Josh McGee  
   Steven Turner (January 25 only)  
   Ken Crane

**1.     Call to Order and Agenda**

Mr. Wolf, presiding as Chairman of the meeting, called to order the meeting of the Board of Directors (the “**Board**”) of BWM Metals, LLC (the “**Company**”), announced that a quorum of directors was present and that the meeting, having been duly convened, was ready to proceed with its business. Mr. Crane served as secretary and kept the minutes of the meeting.

**2.     Review of Copper-Nickel Tubing Business**

Mr. Barto reviewed the status and prospects of the copper-nickel tube business, with a particular focus on the Huntington-Ingalls contract, which is currently up for bid.

**3.     Discussion of Potential for Steel Tube Product**

Mr. Josh McGee then led a discussion of the potential for manufacturing and marketing a new steel tube product to be used in the oil and gas industry.

The Board then adjourned until the next morning, and on January 25, 2013 recommended and discussed the following topics:

**4. Continuation of Discussion of Copper-Nickel Tubing Business**

The Board then continued the discussion of the copper-nickel tube business, including the approach to the Huntington-Ingalls bid. The Board discussed the possibility of trying to improve pricing from its supplier, Ansam, Inc., in connection with the Huntington-Ingalls bid. Mr. Wolf requested that management produce a new spreadsheet with respect to the copper-nickel tube business for Board review before the next Board meeting.

**Action Item: - Company management will prepare a new spreadsheet with updated projections for the copper-nickel tube business for distribution to the Board prior to the next Board meeting.**

**5. Continuation of Discussion of Steel Tubing Business**

The Board then returned to a discussion of the potential new steel tube business. The Board agreed upon the following plan of action with respect to production and marketing of steel tubing:

(i) During the last week of January, the Company will complete manufacturing trials for the production of steel tubes using four different steel alloys;

(ii) Determine which specific steel alloy and measurement to lead with and produce an initial batch of steel alloy tube product of approximately ten tons by February 1, with this product being shipped to Houston by February 8.

(iii) Determine which potential accounts to focus on with feedback from Texas Honing, Inc. and Packers Plus.

(iv) Extend an offer to each of the identified four leading candidates and attempt to sell the initial steel alloy tube product at the best price by February 15.

**6. Financial Review**

Mr. Turner then led a discussion of the opening balance sheet, income statement, inventory, cash flow and forecasts of the Company. Mr. Zarkh requested that future financial statements would show the ties between the income forecast and the balance sheet and also would break down forecasts based on the contributions of the copper-nickel tube business and the new steel alloy tube business. The Board also requested that management produce an analysis of the monthly costs at the Waterbury facility if the copper-nickel tube business is shut down.

**Action Item: - Company management will prepare financial statements for future Board meetings showing the ties between the income forecast and balance sheets as well as a breakdown between the copper-nickel tube and steel alloy tube businesses.**

**Management will also prepare an analysis of the monthly overhead costs that would be required if the copper-nickel tube business were shut down.**

**7. Approval of Accountants**

Mr. Turner then described a quote for accounting services provided by McGladrey of \$30,000 for audit services and \$5,000-\$6,000 for income tax services.

**Action Item: - The Board unanimously approved the retention of McGladrey to provide accounting services on the terms described by Mr. Turner.**

**8. Approval of \$500,000 Funding**

Mr. Turner described the funding needs of the Company with respect to its current obligations as well as for its near term product and market development needs.

**Action Item: - The Board approved a \$500,000 funding to be made on Monday, January 28 by the investor members as lenders pursuant to the mezzanine loan facility pro rata in accordance with their respective commitments under that facility.**

**9. Board Meeting Schedule**

The Board then discussed the schedule for Board meetings for the first half of 2013.

**Action Item: - The Board agreed upon the following Board meeting schedule providing for monthly conference calls and quarterly in-person meetings:**

**February 27 (phone meeting at 10:00 a.m. Eastern)**

**March 26 (phone meeting at 10:00 a.m. Eastern)**

**April 24 (in-person meeting)**

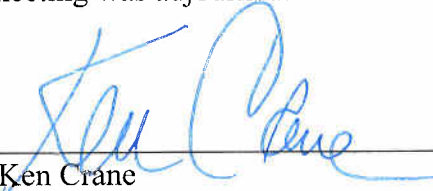
**May 22 (phone meeting at 10:00 a.m. Eastern)**

**June 19 (phone meeting at 10:00 a.m. Eastern)**

**July 24 (in-person meeting).**

**10. Adjournment**

There being no further business to come before the meeting, upon motion duly made, seconded and unanimously carried, the meeting was adjourned.

  
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Ken Crane  
Secretary of the Meeting